

CALIFORNIA COASTAL COMMISSION

45 FREMONT STREET, SUITE 2000
 SAN FRANCISCO, CA 94105-2219
 VOICE AND TDD (415) 904-5200



November 20, 2001

TO: Commissioners and Interested Persons

FROM: Peter M. Douglas, Executive Director
 Elizabeth Fuchs, AICP, Coastal Program Manager
 Bill Van Beckum, LCP Assistance

SUBJECT: **Recommended Funding for FY 2001-02 Local Coastal Program (LCP) Assistance Grant Program** (for Commission review and action at its meeting of December 11-14, 2001 in San Francisco).

The FY 2001/02 Coastal Commission budget contains \$500,000 to disburse for LCP Assistance Grants to local governments. The staff is recommending awards totalling all \$500,000 for ten LCP grants to ten different cities and counties.

STAFF RECOMMENDATION

The chart below lists the ten jurisdictions applying for eleven LCP grants, their proposed projects, the amounts requested, and the grant awards recommended. Each grant request, along with any proposed award condition, is discussed in this staff report on the page indicated in the chart. The complete work program proposed by each jurisdiction is attached as an exhibit.

Staff recommends full funding for one of the grant applications, the City of Seal Beach, and partial funding for nine of the remaining ten applications. Only one application - one of two applications submitted by the County of San Luis Obispo - is not recommended for any funding, due to limited grant funds.

In the case of the ten recommendations for grant awards, all the applications reflect the Commission's priorities for programs that achieve certification of LCPs or ADCs (Seal Beach and Capitola), propose LCP updates (the counties of Humboldt, Mendocino, Sonoma, Marin, and Santa Barbara, and the cities of Fort Bragg, Capitola, and San Buenaventura), or respond to Commission-initiated periodic reviews (San Luis Obispo County). All these applications' work programs as conditioned are expected to result in the achievement of significant products relative to Commission priorities.

| Jurisdiction | Project Description (p. in staff report) | Grant Request | Recom. Award |
|------------------------------------|--|------------------|------------------|
| 1) Humboldt Co. | LCP Update (p. 5) | \$ 46,052 | \$ 41,260 |
| 2) Mendocino Co. | LCP Update (p. 6) | 133,583 | 79,504 |
| 3) Fort Bragg | IP Update (p. 7) | 54,600 | 39,600 |
| 4) Sonoma Co | LCP Update (p. 8) | 75,000 | 37,500 |
| 5) Marin Co. | LCP Update (p. 9) | 50,000 | 37,500 |
| 6) Capitola | LCP Update/ADC (p. 11) | 40,500 | 35,838 |
| 7) San Luis Obispo Co. (A) | Implement Periodic Review (p. 12) | 150,000 | 124,000 |
| 8) Santa Barbara Co. | Gaviota Coast LCP Update (p. 13) | 55,182 | 36,505 |
| 9) San Buenaventura | LCP Update (p. 15) | 75,000 | 38,293 |
| 10) Seal Beach | LCP (p. 16) | 30,000 | 30,000 |
| 11) San Luis Obispo Co. (B) | San Luis Bay Area LCP Update (p. 17) | 100,000 | -0- |
| Total | | \$809,917 | \$500,000 |

MOTION

"I move that the Commission approve the grant requests as modified and conditioned by the staff report."

Staff recommends a **YES** vote.

PRIORITIES

At the June 1999 meeting, the Commission authorized that LCP planning activities within four categories would be eligible to apply for ongoing local assistance grant funds, and adopted criteria for review of grant applications. The priority categories eligible for funding are:

- **LCP Preparation.** Land Use Plan and/or Implementation Plan work to achieve certification of Local Coastal Programs resulting in transfer of coastal development permit authority to the local government.
- **LCP Preparation of Areas of Deferred Certification.** Planning and/or implementation work to resolve outstanding problems and complete Local Coastal Program certification of Areas of Deferred Certification (ADCs)
- **LCP Comprehensive Updates.** Local government-initiated Local Coastal Program comprehensive updates that involve establishing or revising policies and implementation that address changed conditions or new information related to key and emerging coastal issues.
- **LCP Planning in Conjunction with Coastal Commission LCP Periodic Reviews.** Local Coastal Program work to enable local government to participate in, and respond to, a Commission-initiated periodic review.

CRITERIA

In addition to reviewing the grant applications in terms of these four eligible planning activity categories, the applications were evaluated in terms of each of the following adopted criterion:

1. The level of pre-certification permit workload or post-certification appeals generated by the jurisdiction is substantial.
2. The willingness of local government to assume local coastal development permit processing responsibility. Alternatively, in the case of certified LCPs, the willingness of local government to substantially update one or more LCP components, with special consideration given to policy components addressing: nonpoint pollution control; public access; wetland and environmentally sensitive habitat; urban-rural boundaries; coastal hazards and protection of agricultural land.
3. The opportunity to coordinate with other planning work being undertaken by the jurisdiction or the Commission, thus providing more efficient utilization of Commission staff resources, and providing the opportunity to address issues involving more than one jurisdiction.
4. An expressed willingness of local government to contribute or to obtain other matching funds at a suggested 1 to 1 ratio necessary to complete the work.

5. A history of successful performance under previous LCP grants.
6. The local jurisdiction exhibits significant conflicts, challenges, or changed conditions in coastal resources and/or public access.

In addition, special consideration was given to applications that provide an opportunity to complete planning work in areas where the Commission has previously adopted priorities for completing or reviewing LCPs. Those priorities, adopted in December 1998, include the counties of San Luis Obispo, Monterey, Santa Barbara, San Mateo, and Mendocino. Other factors also entered into the staff recommendation. The staff reviewed the applications for adequacy, clarity, and completeness of the work programs, and staff assessed whether the work programs provided adequate guidelines to achieve intended results and to enable the Commission to monitor compliance of the grant.

FUNDING LIMITATIONS

With limited funding available, it unfortunately is not possible to consider full funding for all ten awards. In considering allocation of the available \$500,000, staff concluded that the limited funds could best be utilized by directing them to priority tasks which can be completed within a one-year period, mostly coinciding with calendar year 2002. Also, work program funding is limited to tasks up to and/or including the submittal stage.

CONDITIONS OF GRANT AWARD

Where a recommendation results in a modified work program budget, the grant is conditioned for the submittal of a revised work program to reflect the tasks actually approved and the actual grant funding level.

Staff is also recommending that several grants be subject to conditions requiring a modification of work program focus. Given emerging and evolving coastal issues, the local assistance grant program should be considered as a tool to implement key coastal policies. Furthermore, given the Commission's staffing limitations, the more direction and specificity relative to LCP preparation that can be provided at the onset, the less modification that may need to be done by the Commission upon submittal.

Several key issues have been recent topics of interest for the Coastal Commission as areas where policy and implementation need to be proactively considered by local jurisdictions. Two such issue areas include updating LCP access components to address outstanding offers to dedicate public access, and updating LCP policies to address polluted runoff. As explained below, staff is recommending that where a jurisdiction is proposing related LCP update work and has outstanding Offers to Dedicate (OTDs) public access, where possible, the grant award include conditions to update public access policies to address these OTDs.

Public access easements to and along the coast and trail easements that have been secured by the Commission in the form of offers to dedicate are a topic of concern because: 1) the offers must be accepted by a public agency or other acceptable entity or they will expire and 2) the easements are not opened and available for public use. The Coastal Commission recently adopted a Public Access Action Plan. The initial work that has been done by staff on this Action Plan indicates that many existing LCPs either do not address existing OTDs or the implementing actions relative to public access are outdated and inadequate to implement this mechanism to provide access to and along the shoreline.

Four of the jurisdictions that are proposing LCP updates and that are recommended to receive grant awards have outstanding OTDs (Humboldt Co., Sonoma Co., Marin Co., and the City of Capitola). As specified in the conditions recommended for these four awards, the local government will be required to develop, in conjunction with the LCP update work funded by the grant, new or updated Access Component policies and/or standards that outline a strategic plan for accepting, constructing and operating these access easements, in order to ensure the easements are accepted and managed by an appropriate and willing entity. The access components will include a strategy to achieve acceptance of OTDs within two years following certification. The awards to the other six jurisdictions are not similarly conditioned because the jurisdictions either do not have any access OTDs (Santa Barbara Co., San Buenaventura, and Seal Beach), or the jurisdictions already are developing such access policies/standards as required by previous grant awards (Mendocino Co., San Luis Obispo Co., and Fort Bragg).

Polluted runoff is a topic of national, state, and regional concern. To ensure that LCPs contain land use development mitigation measures that prevent and control polluted runoff, seven of the ten grant awards (the counties of Humboldt, Sonoma, Marin, and Santa Barbara, and the cities of Capitola, San Buenaventura, and Seal Beach) are conditioned to require, as part of the LCP update work being funded by the grant, new or updated policies and standards to address polluted runoff. To assist local government to address this condition, as much as possible staff will provide technical assistance to aid in LCP development including suggested policies and implementing ordinances. The awards to the other three jurisdictions (Mendocino Co., San Luis Obispo Co., and the City of Fort Bragg) are not conditioned to address polluted runoff because the jurisdictions already are addressing the issue as required by previous grant awards.

Where a condition modifies a work program's budget, or where there are other inconsistencies between the grant amount requested and the grant award amount, the grant is conditioned for the submittal of a revised work program to reflect the actual grant funding level. In addition, some grant awards are conditioned to require certain other work program clarifications.

Conditions placed on any grant award become part of the contract prepared for the grant. Acceptance of any conditions on a grant award is therefore official when the local government accepting the award signs the specific contracts. However, in a previous grant year, the Commission faced a situation where the local government declined to accept the grant conditions only two days before the deadline for execution of contracts. With a condition placed on each grant award that requires that the local government, within 60 days, indicate acceptance of the award and any grant condition(s) and submit any required work program, budget, and schedule revisions, the Commission will be alerted to any possible contract problems in a timely manner.

***Comments on these recommendations may be mailed or faxed
(415 904-5400) to Bill Van Beckum at the Commission's San Francisco office.***

| |
|---|
| PROPOSED LOCAL COASTAL PROGRAM GRANT ALLOCATIONS |
|---|

| | |
|---------------------------|--------------------------------|
| 1. Humboldt County | Recommended \$41,260 |
|---------------------------|--------------------------------|

Proposal Category: *LCP Update*

Total Project Cost: *\$100,000*

Amount Requested: *\$46,052*

Project Timeline: *12 months (February 2002 – January 2003)*

Conditions of Approval: *1) Offers to Dedicate Public Access, 2) Polluted Runoff, 3) Acceptance of Conditions/Submittal of Revised Work Program.*

Condition 1. Offers to Dedicate Public Access. Tasks 4.1-4.2 (LCP Update Amendments Submittal Package) shall include the provision of new or updated access policies and/or standards to identify a strategy for acceptance of the eighteen (18) outstanding offers to dedicate, by either the County or other acceptable entity, within two years from the date of certification of the County's LCP Update Amendment. The policies shall establish priorities and a timeline for acceptance, construction (where applicable) and operation of said easements.

Condition 2. Polluted Runoff. Tasks 4.1-4.2 (LCP Update Amendments Submittal Package) shall include the provision of new or updated policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 3. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$41,260 grant award, the County shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

Humboldt County assumed full coastal permitting authority for its six LCP geographic segments in February 1986. The County's request for a \$46,052 grant is to provide partial funding to prepare a comprehensive update to the County's LCP, the first such update since the 1986 certification.

The work program's proposed tasks include: analyzing potential update and amendment issues (including public access and recreation issues, water and marine resources/non-point source pollution issues, environmentally sensitive habitat areas (ESHAs) issues, agricultural land conversion issues, and shoreline erosion and tsunami hazards); preparing draft amended plans, regulations and maps; conducting local public review; preparing the amendment submittal package in coordination with Commission staff; participating at Commission hearings; conducting subsequent County hearings to respond to any concerns raised at Commission hearings; publishing the updated LCP; and conducting staff training for implementing amended LCP provisions.

The staff is recommending a grant of \$41,260, to cover all requested project costs up to and including the update amendment's submittal tasks, i.e., **Tasks 1.1 through 4.2.** Limited grant

funds preclude funding at this time the \$4,792 in costs associated with the proposed post-submittal tasks (Tasks 4.3 – 4.6).

Staff is recommending that the grant award be subject to Condition 1, requiring that updated LCP policies include a strategy for dealing with outstanding offers to dedicate public access (OTDs), such strategy to be developed in conjunction with public access recommendations for addressing outstanding OTDs the County proposes to develop in **Tasks 1.1–1.4**. Furthermore, as explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Humboldt County award is subject to Condition 2 requiring that the LCP update include the development of new or updated policies and/or standards to address polluted runoff as part of the LCP, such policies/standards to be developed in conjunction with the County's proposed review of non-point source issues in **Task 1.1**.

Condition 3 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

*****Staff recommends a partial grant award to Humboldt County: \$41,260***

2. Mendocino County **Recommended \$79,504**

Proposal Category: LCP Update

Total Project Cost: \$185,490

Amount Requested: \$133,583

Project Timeline: 12 months (January 2002 – December 2002)

Condition of Approval: 1) Acceptance of Award/Submittal of Revised Work Program.

Condition 1. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$79,504 grant award, the County shall (a) indicate in writing that it accepts the award as approved, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

Mendocino County assumed coastal permitting authority in October 1992 for all areas within the County's Coastal Zone except for the Town of Mendocino, and areas with pygmy soils and vegetation. The County assumed permitting authority in the Town of Mendocino in December 1996. The Coastal Commission has identified Mendocino County as one of five priority areas for a periodic review.

The County's request for a \$133,583 grant is to provide continued funding for an LCP comprehensive update that includes evaluation of the effectiveness of the LCP, and preparation of updated policies and ordinances. The County is currently carrying out tasks in a LCP grant work program that began the update, and that was approved by the Commission in December 1999 (LCP Grant 99-10, for \$81,860). The 1999 grant's work program includes tasks related to database preparation and LCP evaluation, public participation program design, Administrative Procedures Update and LCP Policies and Regulations Amendment tasks (**Tasks 3.1 and 3.4**), and the first nine months of Public Scoping Meetings (**Task 4.2**). The grant was conditioned to include the development of an LCP strategy for dealing with offers to dedicate public access and the development of an LCP polluted runoff component. The 1999 grant is scheduled to expire on December 31, 2001, with a possible extension to April 30, 2002.

The County's current \$133,583 grant application is for funds to: complete the expansion of the County's coastal resources database, complete the analysis of resource protection issues, complete the draft administrative procedures update and draft amendments to LCP policies and regulations, prepare pygmy vegetation policies and draft amendments for low/moderate income housing, prepare draft amendments regarding public access and polluted runoff, continue public scoping meetings and workshops, and hold Planning Commission hearings on proposed amendments.

Staff considers it is important to continue to support the County's efforts to comprehensively update this high priority LCP. To continue the momentum of the project underway, the staff is recommending a grant of \$79,504 to partially fund the proposed work program. The award will cover, in part, all requested costs of **Task 2.1** (Analyze Resource Protection Issues, \$11,567), **Tasks 3.1-3.2** (Administrative Procedures Update and Draft LCP Policies and Regulations Amendments, \$36,294), and **Task 3.5** (Pygmy Vegetation Policies, \$10,067). The award also will cover half (\$7,400) of **Task 1.1** (i.e., costs for expanding coastal resources database, except for estimated costs of Task 1.1 soils survey GIS work recently completed), and \$14,176 to cover prorated operations costs (\$5,643) and costs of public scoping meetings, workshops and announcements (\$8,533).

Limited grant funds preclude funding at this time the \$26,302 in costs associated with two other tasks, **Tasks 3.6** and **4.2** (draft amendments for low/moderate income housing, and Planning Commission hearings). Moreover, staff is not recommending the requested \$12,852 for work related to public access and polluted runoff because the County already has agreed to carry out this work as part of its current grant's contract.

Condition 1 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

*****Staff recommends partial grant award to Mendocino County - \$79,504***

| | |
|----------------------|--------------------------------|
| 3. Fort Bragg | Recommended \$39,600 |
|----------------------|--------------------------------|

| | | |
|----------------------------|---------------------------------------|-----------------------------------|
| Proposal Category: | LCP Implementation Program Update | |
| Total Project Cost: | \$114,600 | Amount Requested: \$54,600 |
| Project Timeline: | 15 months (January 2002 – March 2003) | |

Condition of Approval: 1) **Acceptance of Award/Submittal of Revised Work Program.**

Condition 1. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$39,600 grant award, the City shall (a) indicate in writing that it accepts the award as approved, and (b) submit a revised work program, budget, and one-year schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

The City of Fort Bragg assumed coastal permitting authority in August 1983. The City's request for a \$54,600 grant is to provide funding for preparation of the Implementation Program (IP) for the City's comprehensive LCP update now under preparation.

The City is currently carrying out tasks in an LCP grant work program for the update of an approximately 400-acre Georgia-Pacific Corporation property; that grant was approved by the

Commission in December 1999 (LCP Grant 99-9, for \$47,150). The 1999 grant's work program includes tasks to fund public participation and planning efforts to provide guidance in the City's LCP for the eventual redevelopment of the Georgia-Pacific lumber mill site. The grant was conditioned to include the development of an LCP strategy for dealing with offers to dedicate public access and the development of an LCP polluted runoff component. The 1999 grant is scheduled to expire on December 31, 2001, with a possible extension to April 30, 2002.

The staff is recommending a grant of \$39,600 to cover all requested project costs up to and including preparation of the Administrative Draft IP, i.e., **Tasks 1.1 –3.1**. The proposed work program shows these tasks occurring within the first twelve month's of the fifteen-month total work program. Limited grant funds preclude funding at this time the \$15,000 associated with the work program's remaining tasks (**Tasks 3.2 –4.4**, internal review, workshops, and public hearings).

Condition 1 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

****Staff recommends partial grant award to Fort Bragg - \$39,600**

| | |
|--------------------------------|---------------------------------------|
| <u>4. Sonoma County</u> | <u>Recommended \$37,500</u> |
|--------------------------------|---------------------------------------|

Proposal Category: *LCP Update*

Total Project Cost: *\$150,000*

Amount Requested: *\$75,000*

Project Timeline: *24 months (January 2002 – December 2003)*

Conditions of Approval: *1) Offers to Dedicate Public Access, 2) Polluted Runoff, 3) Acceptance of Conditions/Submittal of Revised Work Program.*

Condition 1. Offers to Dedicate Public Access. **Tasks 1 and 2 work on access plan and access policies** shall include the provision of new or updated access policies and/or standards to identify a strategy for acceptance of the fourteen (14) outstanding offers to dedicate, by either the County or other acceptable entity, within two years from the date of certification of the County's LCP Update Amendment. The policies shall establish priorities and a timeline for acceptance, construction (where applicable) and operation of said easements.

Condition 2. Polluted Runoff. **Tasks 1 – 3 work on water quality standards and regulations** shall include the provision of new or updated policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 3. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$37,500 grant award, the County shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit a revised work program, budget, and one-year schedule to reflect the funding for Phase I tasks and products approved in the award, including the work related to public access and polluted runoff issues as required by Conditions 1 and 2. The revised work program shall indicate how the County will distribute the awarded funds among Phase I's four task groups, such distribution to include directing a portion of the funds to the three task groups that specifically propose work on public access and polluted runoff issues (Tasks 1–3).

Discussion.

Sonoma County assumed full coastal permitting authority in 1982. The County's request for a \$75,000 grant is to provide partial funding to prepare a comprehensive update to the County's LCP, the first such update since the 1982 certification.

The proposed work program would expand upon work that resulted in LCP Amendment 1-00, which the Commission approved, with modifications, in July 2001. Amendment 1-00, which includes changes to the Coastal Plan (LUP) and the Implementation Program (Coastal Zoning Ordinance and Administrative Manual), was not intended as a full-scale LCP update but rather was primarily intended to bring the Coastal Plan into full conformance with the County-wide General Plan and to incorporate into the LUP various changes that have been approved by the Board of Supervisors in recent years but not previously submitted to the Coastal Commission for review and approval.

The County's current, proposed program is to comprehensively update the LCP in two, one-year phases, each costing \$75,000: **Phase I** – Year 1, Research and Development of Draft Plan; and, **Phase II** – Year 2, Public Review and Hearings. Phase I includes updating demographic and historical data, updating the Environmental Resource Management section and related maps, developing stronger policies to address shoreline and bluff top development, improving water quality standards for prevention and management of polluted runoff, and reviewing and revising the LCP Access Plan and policies for acquiring access.

The County's LCP grant request is for a \$75,000 grant, to fund half the costs of the two-year, \$150,000 update program. Limited grant funds preclude funding at this time for any more than half the \$75,000 costs of the project's first year phase. Staff therefore is recommending a grant award for \$37,500, to fund half of the **Phase I (Research and Development of Draft Plan)** work program.

Staff is recommending that the grant award be subject to Condition 1, requiring that updated LCP policies include a strategy for dealing with outstanding offers to dedicate public access (OTDs), such strategy to be developed in conjunction with the public access plan and policy work the County proposes in **Tasks 1 and 2**. Furthermore, as explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Sonoma County award is subject to Condition 2, requiring that the LCP update include the development of new or updated policies and/or standards to address polluted runoff as part of the LCP, such policies/standards to be developed in conjunction with the water quality work the County proposes in **Tasks 1– 3**.

Condition 3 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award, and requires that the revised work program indicates how the County will distribute the awarded funds among Phase I's four task groups, such distribution to include directing a portion of the funds to the three task groups that specifically propose work on public access and polluted runoff issues (Tasks 1–3).

*****Staff recommends a partial grant award to Sonoma County: \$37,500***

| | |
|-------------------------------|------------------------------------|
| <u>5. Marin County</u> | <u>Recommended \$37,500</u> |
|-------------------------------|------------------------------------|

Proposal Category: LCP Update

Total Project Cost: \$100,000

Amount Requested: \$50,000

Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Offers to Dedicate Public Access, 2) Polluted Runoff, 3) Acceptance of Conditions.

Condition 1. Offers to Dedicate Public Access. Task 1.3 (LCP Background Updates) shall include the provision of new or updated access policies and/or standards to identify a strategy for acceptance of the thirty-three (33) outstanding offers to dedicate, by either the County or other acceptable entity, within two years from the date of certification of the County's LCP Update Amendment. The policies shall establish priorities and a timeline for acceptance, construction (where applicable) and operation of said easements.

Condition 2. Polluted Runoff. Task 1.6 (Identification of Best Management Practices) shall include the provision of new or updated policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 3. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$37,500 grant award, the County shall (a) indicate in writing that it accepts the award as approved, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

Marin County assumed full coastal permitting authority for its two LCP geographic segments in May 1982. The County's request for a \$50,000 grant is to provide partial funding for the first phase (Preparation of Draft LCP Reports) of a two-phase comprehensive update to the County's LCP, the first such update since the 1982 certification. The County anticipates undertaking Phase 2 (Preparation of the Final LCP and Implementing Ordinances) in 2003.

The work program for Phase I includes five tasks. The staff is recommending a grant of \$37,500, to cover the requested costs of three of these tasks: updating resource maps and background reports (**Task 1.3**); reviewing the LCP to determine which policies are still applicable and which will require modification or deletion (**Task 1.4**); and proposing coastal-specific "best management practices" (BMPs) (**Task 1.6**).

Limited grant funds preclude funding the other two Phase 1 tasks at this time: review and coordination with the Countywide Plan and Watershed Management Plan (being prepared with other funding) (**Task 1.5**); and completing trends, issues, and strategies reports (**Task 1.7**).

Staff is recommending that the grant award be subject to Condition 1, requiring that the development of updated LCP policies, being considered during the **Task 1.3** review of LCP public access provisions, include a strategy for dealing with outstanding offers to dedicate public access (OTDs). Furthermore, as explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Marin County award is subject to Condition 2 requiring that the LCP update include the development of new or updated policies and/or standards to address polluted runoff as part of the LCP, such policies/standards to be developed in conjunction with the County's identification of best management practices in **Task 1.6**.

Condition 3 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

*****Staff recommends a partial grant award to Marin County: \$37,500***

6. Capitola **Recommended \$35,838**

Proposal Category: Complete ADC and LCP Update
Total Project Cost: \$72,710 **Amount Requested:** \$40,500
Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Offers to Dedicate Public Access, 2) Polluted Runoff, 3) Acceptance of Conditions/Submittal of Revised Work Program.

Condition 1. Offers to Dedicate Public Access. Tasks 7.3-7.4 (LCP Update Amendments/Capitola Parcels LCP Submittal Package) shall include the provision of new or updated access policies and/or standards to identify a strategy for acceptance of the four (4) outstanding offers to dedicate, by either the City or other acceptable entity, within two years from the date of certification of the City's LCP Update Amendment. The policies shall establish priorities and a timeline for acceptance, construction (where applicable) and operation of said easements.

Condition 2. Polluted Runoff. Tasks 7.3-7.4 (LCP Update Amendments/Capitola Parcels LCP Submittal Package) shall include the provision of new or updated policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 3. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$35,838 grant award, the City shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit a revised work program, budget and schedule and to reflect the funding for the specific tasks and products approved in the award.

Discussion.

The City of Capitola assumed coastal permitting authority, except relating to any proposed development in the Capitola Parcels Area of Deferred Certification (ADC), in April 1990. The City's request for a \$40,500 grant is to provide partial funding to: (a) complete the LCP for the Capitola Parcels Area (10.25 acres consisting of the Rispin Mansion parcel, the Shadowbrook Restaurant parcels, and the El Salto Resort parcels), and (b) prepare a comprehensive update to the City's LCP, the first such update since the 1990 certification.

The work program's proposed tasks include: reviewing existing plans, policies and regulations and determining significant update issues; preparing draft amendments and updates to LUP policies and Zoning Ordinance provisions; completing the Capitola Parcels LCP; conducting local public review, hearings and adoption; preparing the amendment/Capitola Parcels LCP submittal package, in coordination with Commission staff; participating at Commission hearings; conducting subsequent work to respond to any concerns raised at Commission hearings; and conducting staff training for implementing new and amended LCP provisions.

The staff is recommending a grant of \$35,838, to cover all requested project costs up to and including the update amendment/Capitola Parcels LCP submittal tasks, i.e., **Tasks 1.1 through 7.4**, as well as \$3,000 in operations costs. Limited grant funds preclude funding at this time the \$4,662 in costs associated with the proposed post-submittal tasks (Tasks **7.5 – 8**).

Staff is recommending that the grant award be subject to Condition 1, requiring that updated LCP policies include a strategy for dealing with outstanding offers to dedicate public access (OTDs). Furthermore, as explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Capitola award is subject to Condition 2 requiring that the LCP update include the development of new or updated policies and/or standards to address polluted runoff as part of the LCP.

Condition 3 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

****Staff recommends a partial grant award to Capitola: \$35,838**

| | | |
|---|--------------------|------------------|
| 7. San Luis Obispo County County (A) | Recommended | \$124,000 |
|---|--------------------|------------------|

Proposal Category: *Planning in Conjunction with Coastal Commission LCP
Periodic Review*

Total Project Cost: \$300,000 **Amount Requested: \$150,000**

Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Acceptance of Award/Submittal of Revised Work Program.

Condition 1. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$124,000 grant award, the County shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit, in consultation with Commission staff, a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award. Specifically, the work program shall describe projected work products (e.g. general focus of LCP amendment or focus of new or revised procedures) to implement priority Periodic Review recommendations related to:

- New development and public services recommendations related to Cambria development and water issues;
- ESHA identification and protections;
- Implementation of post construction controls and BMPs in state NPS plan;
- Agriculture recommendations related to lot line adjustments and non-agricultural development;
- Implementation of Scenic and Critical Viewshed recommendations;
- Improving existing implementation procedures; and,
- Minor LCP Amendments in various policy areas.

Discussion.

San Luis Obispo County assumed coastal permitting authority in March 1988 for all areas within the County's Coastal Zone except for two areas of deferred certification (ADCs), the Sweet Springs Marsh ADC and the Otto Property/South Bay ADC.

In November 1999, the Commission awarded the County an \$80,000 LCP grant (LCP-99-01) to provide partial funding for participating in the Commission's Periodic LCP Review. The 1999 work program included five major tasks:

Task 1 to participate in collecting and exchanging resource data;

Task 2 to provide input to and respond to the Commission issue identification and preliminary resource analysis;

Task 3 to help provide public participation in the Periodic Review process by coordinating public and agency outreach among the existing county Advisory Councils;

Task 4 to provide input to the Commission staff's preliminary evaluation of LCP implementation; and,

Task 5 to respond to the Commission 's adopted Periodic Review findings, including a suggested action plan.

To date, most of the awarded 1999 grant funds have been spent on Tasks 1-4. The County's coordination with the Coastal Commission was instrumental in the preparation of the draft Periodic Review and the final Periodic Review, which was adopted by the Commission on July 12, 2001.

The 1999 grant is scheduled to expire on December 31, 2001, with a possible extension to April 30, 2002.

The County's current request for a \$150,000 grant is to implement recommendations of the Periodic Review. The proposed work program, however, lacks specificity as to the focus of projected work tasks and products. Instead, the work program largely describes the procedures the County would follow to develop updated, but as-yet-not-defined, administrative procedures, minor LCP amendments, major LCP amendments, and additional studies. As the Coastal Commission indicated in adopting the Periodic Review last July, however, the implementation of the Periodic Review is intended to be a collaborative effort. Therefore, the staff is recommending a condition that would allow the County and Commission staff to work together to identify priority action items in several key areas as part of a revised work program.

Limited grant funds preclude funding an award of more than \$124,000 at this time. The staff is recommending the \$124,000 grant to partially fund the modified work program. Condition 1 sets forth the requirements for the revised work program.

****Staff recommends partial grant award to San Luis Obispo County - \$124,000**

| | | |
|--------------------------------|--------------------|-----------------|
| 8. Santa Barbara County | Recommended | \$36,505 |
|--------------------------------|--------------------|-----------------|

Proposal Category: LCP Update (Gaviota Coast)
Total Project Cost: \$85,182 **Amount Requested:** \$55,182
Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Polluted Runoff, 2) Acceptance of Conditions.

Condition 1. Polluted Runoff/Revised Work Program. Subtask 3.1 (Preparation of Draft LCP Policy and Coastal Zone Ordinance Revisions) shall include the provision of new or updated policies and/or standards for the Gaviota Coast LCP Update that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 2. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$36,505 grant award, the County shall (a) indicate in

writing that it accepts the award as approved, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

Santa Barbara County initially assumed coastal permitting authority in September 1982, for all areas within the County's coastal zone except for four areas of deferred certification (ADCs). In 1989 and 1993, two of these ADCs were effectively certified, so the County now has coastal permit authority throughout the coastal zone except in the remaining two ADC areas, the Haskell's Beach ADC and the Channel Islands ADC.

The County's request for a \$55,182 grant is to provide partial funding for the second phase (Long-range Planning and LCP Policy Updates) of a three-phase update to the County's LCP for the Gaviota Coast, the first such update since the 1982 certification. The County expects to complete its Phase 1 work currently underway (Gaviota Coast Resource Study) by the end of this year, and anticipates undertaking Phase 3 (LCP Amendments Adoption) in 2003 and early 2004.

The Coastal Commission has identified Santa Barbara County as one of five priority areas for a periodic review. Although the requested grant is not comprehensive for the entire County coastal zone, the work program would address a geographic area that raises significant coastal resource issues. An LCP update for another of the County's coastal areas, Ellwood Beach-Santa Barbara Shores, is now in process, partially funded by an LCP grant awarded to the County by the Commission in 1999.

The work program for Phase 2 includes three tasks, comprised of fifteen subtasks. The staff is recommending a grant of \$36,505, to cover the requested \$2,211 project administration costs and the requested \$34,294 costs of eleven of these subtasks: conducting preliminary studies on LCP amendments pertaining to improved coastal access, resource protection, and visitor-serving uses (**Subtasks 2.1 – 2.10**), and preparing draft LCP policy and coastal zone ordinance revisions (**Task 3.1**).

Limited grant funds preclude funding the other four Phase 2 subtasks at this time: stakeholder involvement and voluntary conservation programs, preparation of maps and studies relating to current litigation over "Lot Size Compliance and Lot Line Adjustment Program," and review and comment on National Parks Service (NPS) National Seashore Feasibility Study when released (**Subtasks 1.1 – 1.3**), and preparation of staff report and graphics for amendment initiation hearings (**Subtask 3.2**).

As explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Santa Barbara County award is subject to Condition 1 requiring that the Gaviota Coast LCP update include the development of new or updated policies to address polluted runoff as part of the LCP, such policies to be developed in conjunction with the County's preparation of draft text and ordinances in **Subtask 3.1**.

Condition 2 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

****Staff recommends a partial grant award to Santa Barbara County: \$36,505**

9. City of San Buenaventura

Recommended \$38,293

Proposal Category: LCP Update

Total Project Cost: \$203,020

Amount Requested: \$75,000

Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Polluted Runoff, 2) Acceptance of Conditions/Submittal of Revised Work Program.

Condition 1. Polluted Runoff. Tasks 4, 6-7 (Resource Management Analysis and Drafting Updated Policies and Implementation Programs) shall include the provision of new or updated policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 2. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$38,293 grant award, the City shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

The City of San Buenaventura assumed full coastal permitting authority in January 1984. The City's request for a \$75,000 grant is to provide partial funding to prepare a comprehensive update to the City's LCP. The City has updated its LCP once before, in 1990. That update was certified by the Commission as LCP Amendment No. 1-90 (Major).

The proposed LCP update is part of a multi-year City program updating the City's Comprehensive Plan, of which the LCP is a part. Although the Comprehensive Plan Update has a three-year timeline (beginning in the last half of 2001 and extending into 2004), the City's \$75,000 grant request is to partially fund only the initial twelve months (calendar year 2002) of the LCP update.

The work program's proposed seven tasks include: evaluating existing conditions and trends, identifying potential update and amendment issues, and refining project scope (**Tasks 1-2**); coordinating community concerns and public participation (**Task 3**); inventory and analysis of coastal resources, including management of coastal access and stormwater runoff/water quality (**Task 4**); preparing draft Issues and Alternatives Report for public review (**Task 5**); and developing, in coordination with Commission staff, draft LCP update goals, policies, and implementation programs (**Tasks 6-7**).

The staff is recommending a grant of \$38,293, to fund approximately half of each of the seven tasks' proposed budgets and half of proposed operations costs. Limited grant funds preclude additional funding at this time.

As explained in the staff report's **Conditions of Grant Award** (pp. 3-4), staff is recommending that the San Buenaventura award be subject to Condition 1 requiring that the LCP update include the development of new or updated policies and/or standards to address polluted runoff as part of the LCP, such policies/standards to be developed in conjunction with the City's proposed review of stormwater runoff/water quality issues in **Task 4** and drafting of updated policies and implementation programs in **Tasks 6-7**.

Condition 2 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

****Staff recommends a partial grant award to San Buenaventura: \$38,293**

10. Seal Beach Recommended \$30,000

Proposal Category: LCP Completion

Total Project Cost: \$60,000

Amount Requested: \$30,000

Project Timeline: 12 months (January 2002 – December 2002)

Conditions of Approval: 1) Polluted Runoff, 2) Acceptance of Conditions/Submittal of Revised Work Program.

Condition 1. Polluted Runoff. Task 4.1 (Administrative Draft LCP) shall include the provision of policies and/or standards that implement applicable management measures to identify, prevent, and control nonpoint source pollution.

Condition 2. Acceptance of Award/Submittal of Revised Work Program. Within 60 days from Commission approval of this \$30,000 grant award, the City shall (a) indicate in writing that it accepts the award as approved with conditions, and (b) submit a revised work program, budget and schedule to reflect the funding for the specific tasks and products approved in the award.

Discussion.

The Commission certified the Seal Beach LUP with suggested modifications in 1983. The City did not adopt the suggested modifications and the Commission action lapsed after six months.

The City's grant request proposes a work program to prepare the LCP. The proposed tasks include: preliminary research/work program start-up; reviewing existing plans, policies, and regulations; preparing draft LUP policies and Zoning Maps and Ordinances; conducting local public review, hearings and adoption; preparing the LCP submittal package, in coordination with Commission staff; participating at Commission hearings; conducting subsequent work to respond to any concerns raised at Commission hearings; and conducting staff training for implementing the LCP.

The staff is recommending a grant of \$30,000, the full amount requested by the City to fund 50% of the project's total \$60,000 cost. The recommended funding is intended to cover all proposed consultant costs for preparing the Administrative Draft LCP (**Tasks 2.1 – 4.1**, \$28,250), with the award's balance of \$1,750 funding a portion of the work program's start-up costs (**Tasks 1.1-1.3**, \$4,600).

As explained in the staff report's **Conditions of Grant Award** (pp. 3-4), the Seal Beach award is subject to Condition 1 requiring that the work program include the development of policies and/or standards to address polluted runoff as part of the LCP.

Condition 2 (Revised Work Program) is attached to ensure the timely preparation of a grant contract reflecting the approved award.

****Staff recommends full grant award to Seal Beach: \$30,000**

The following application is not recommended for funding at this time but could be considered for funding if additional funds become available.

11. San Luis Obispo Co. (B) – San Luis Bay Area Plan Comprehensive Update \$0

Proposal Category: Partial LCP Update

Total Project Cost: \$200,000

Amount Requested: \$100,000

Project Timeline: 12 months (January 2002 – December 2002)

The staff is not able to recommend funding this request, a proposal to update the 1984-adopted San Luis Bay Area Plan, because the limited amount of local assistance money in this year's budget precludes new multiple grants for any single jurisdiction.

EXHIBITS

A. GRANT APPLICATIONS

1. Humboldt County
2. Mendocino County
3. Fort Bragg
4. Sonoma County
5. Marin County
6. Capitola
7. San Luis Obispo County (A) - Implement Periodic Review
8. Santa Barbara County
9. San Buenaventura
10. Seal Beach
11. San Luis Obispo County (B) - San Luis Bay Area LCP Update

B. CORRESPONDENCE

1. Senator O'Connell Letter Supporting Santa Barbara County Application